

Congress of the United States
Washington, DC 20515

315

April 17, 2017

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th St SW
Washington, DC 20554-0004

Dear Chairman Pai:


We applaud your pledge to make April “infrastructure month” at the Federal Communications Commission (FCC), and we welcome your efforts to identify and eliminate unnecessary rules and regulations and modernize our Nation’s telecommunication networks. As you are set to vote on your draft order for Business Data Services (BDS), we write to express our support for a reasonable transition period in implementing these new rules to allow all market participants the opportunity to evaluate and adapt to the implications of BDS deregulation in order to minimize potential disruptions and unintended consequences to small businesses in America.

A transition period would create a window where all market participants could plan for price increases or the purchase of internet protocol (IP)-enabled equipment, shop for alternative service arrangements, and even solicit build-out proposals from potential market entrants. A reasonable transition would also enable service providers to adapt and remain viable in more markets than will occur in the event of a flash cut to new policies.

Further, as we understand, the draft order seeks to accelerate investment in IP technologies and transition more customers to IP services and notes that future developments, such as the onset of 5G wireless deployments in 2020, may serve to hold prices in check despite the highly concentrated ownership of BDS facilities. A transition period would allow additional time for these changes to play out and allow providers time to adjust their business models and educate consumers about the coming changes, including the possibility of price hikes, termination of service, and migration to alternate technologies.

For these reasons, we respectfully request that you give full and fair consideration to the adoption of a reasonable transition period when implementing this order. Thank you for your consideration of our request, and please do not hesitate to reach out to us if you have any questions or concerns. We look forward to working with you on improving our Nation’s telecommunications networks.

Sincerely,


John Boozman
U.S. Senator


Tom Cotton
U.S. Senator

French Hill

French Hill
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 19, 2017

The Honorable John Boozman
United States Senate
141 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Boozman:

Thank you for your letter supporting the Federal Communications Commission's work identifying and eliminating unnecessary rules and regulations and modernizing our Nation's telecommunications networks. In your letter, you recommend that the Commission include a transition period for any changes to our special access rules to provide all market participants with sufficient time to evaluate and adapt. Your views are very important and your letter has been entered into the record of the proceeding.

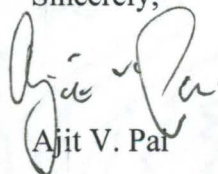
I am pleased to report that in April, after twelve years of studying the market conditions, a massive data collection, and a robust public record garnered from numerous requests for comment, the Commission completed the rulemaking. We modernized regulation in significant portions of the market in recognition of the substantial and growing competition in the provision of business data services in areas served by price cap incumbent local exchange carriers. In particular, we used competitive market test to determine where continued regulation of special access services is needed. In counties where the test finds sufficient facilities-based competition to discipline prices, we allowed for relief of ex ante pricing regulation and began the process of de-tariffing special access service.

Consistent with your recommendation for a reasonable transition, and after careful consideration, the Commission adopted a 36 month transition period from tariffing to detariffing, during which all market participants have an opportunity to reach private agreements that will work for their businesses going forward. Additionally, the Commission required price cap carriers to freeze their tariff rates for the TDM end user channel terminations in newly deregulated counties for six months.

Modernizing our rules will benefit communities across the nation. Outdated regulations reduce investment, deter new competition, and raise prices. The impact of increased investment, competition, and competitive entry should be lower prices and new deployments of next-generation networks that will provide communities with robust broadband for the long term.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 19, 2017

The Honorable Tom Cotton
United States Senate
124 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Cotton:

Thank you for your letter supporting the Federal Communications Commission's work identifying and eliminating unnecessary rules and regulations and modernizing our Nation's telecommunications networks. In your letter, you recommend that the Commission include a transition period for any changes to our special access rules to provide all market participants with sufficient time to evaluate and adapt. Your views are very important and your letter has been entered into the record of the proceeding.

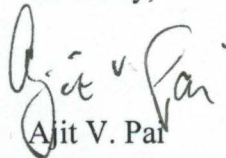
I am pleased to report that in April, after twelve years of studying the market conditions, a massive data collection, and a robust public record garnered from numerous requests for comment, the Commission completed the rulemaking. We modernized regulation in significant portions of the market in recognition of the substantial and growing competition in the provision of business data services in areas served by price cap incumbent local exchange carriers. In particular, we used competitive market test to determine where continued regulation of special access services is needed. In counties where the test finds sufficient facilities-based competition to discipline prices, we allowed for relief of ex ante pricing regulation and began the process of de-tariffing special access service.

Consistent with your recommendation for a reasonable transition, and after careful consideration, the Commission adopted a 36 month transition period from tariffing to detariffing, during which all market participants have an opportunity to reach private agreements that will work for their businesses going forward. Additionally, the Commission required price cap carriers to freeze their tariff rates for the TDM end user channel terminations in newly deregulated counties for six months.

Modernizing our rules will benefit communities across the nation. Outdated regulations reduce investment, deter new competition, and raise prices. The impact of increased investment, competition, and competitive entry should be lower prices and new deployments of next-generation networks that will provide communities with robust broadband for the long term.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,


Ajit V. Pai

P.S. La Cheeserie!



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 19, 2017

The Honorable French Hill
U.S. House of Representatives
1229 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Hill:

Thank you for your letter supporting the Federal Communications Commission's work identifying and eliminating unnecessary rules and regulations and modernizing our Nation's telecommunications networks. In your letter, you recommend that the Commission include a transition period for any changes to our special access rules to provide all market participants with sufficient time to evaluate and adapt. Your views are very important and your letter has been entered into the record of the proceeding.

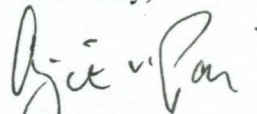
I am pleased to report that in April, after twelve years of studying the market conditions, a massive data collection, and a robust public record garnered from numerous requests for comment, the Commission completed the rulemaking. We modernized regulation in significant portions of the market in recognition of the substantial and growing competition in the provision of business data services in areas served by price cap incumbent local exchange carriers. In particular, we used competitive market test to determine where continued regulation of special access services is needed. In counties where the test finds sufficient facilities-based competition to discipline prices, we allowed for relief of ex ante pricing regulation and began the process of de-tariffing special access service.

Consistent with your recommendation for a reasonable transition, and after careful consideration, the Commission adopted a 36 month transition period from tariffing to detariffing, during which all market participants have an opportunity to reach private agreements that will work for their businesses going forward. Additionally, the Commission required price cap carriers to freeze their tariff rates for the TDM end user channel terminations in newly deregulated counties for six months.

Modernizing our rules will benefit communities across the nation. Outdated regulations reduce investment, deter new competition, and raise prices. The impact of increased investment, competition, and competitive entry should be lower prices and new deployments of next-generation networks that will provide communities with robust broadband for the long term.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai